Sunday in violation of law, he was remediless. If the poor sinner's soul was lost it would be a pertinent question, whether this opinion was the proximate cause. *Lyons* v. *Desotelle,* 124 Mass. 387. Two years earlier the same court took occasion to tell a provident head of a family that a railway company could run over him with impunity because forsooth, he walked the public highway on Sunday in search of shelter for his wife and children. *Smith* v. *Boston & M. R. R.,* 120 Mass. 490.

SPECIFIC PERFORMANCE—NEGATIVE COVENANT—CONTRACT OF EMPLOYMENT. —Complainant induced defendants to enter into contracts with him whereby they agreed to enter the service of complainant for two years from July 1, 1918, and not to be concerned directly or indirectly in any other business during the period of the contracts. Defendants at the time of making the contracts were employed by the Driver-Harris Co., a corporation engaged in important war work for the government. Complainant had been a director of the Driver-Harris Co., but owing to disagreement with other directors, had withdrawn and was about, as he alleged, to establish a rival company. There was evidence tending to show that complainant's main purpose in making the contracts was to withdraw essential employees from the Driver-Harris Co. and thus to injure its business. Complainant brought three bills against defendants to restrain them from working for the Driver-Harris Co. in violation of the negative covenants. *Held,* complainant is not entitled to relief. *Driver* v. *Smith et al.* (N. J. Ch. 1918), 104 Atl. 717.

The defendants interposed a preliminary objection that the granting of an injunction would interfere with work necessary to the federal government in the conduct of war. The government did not seek to intervene directly, but defendants introduced into evidence letters from General Sibert and others to the effect that the enforced withdrawal of the defendants from the Driver-Harris Co. would be highly detrimental to the interests of the government. Lane, V. C., refused to consider this argument. "It would", he said, "be an intolerable situation if each court before whom the rights of individuals were litigated, were permitted to determine whether relief should be granted or withheld upon its opinion whether the granting of an injunction would aid or injure the government in its war activities. * * *" No cases precisely in point were cited but reliance was placed on *Broadbent* v. *Imperial Gas Co.,* 7 De G. M. & G. 436, and *Rowland* v. *New York Stable Manure Co.,* 88 N. J. Eq. 168. Though the doctrine of these cases has often been brought into question (*e g. Richards Appeal,* 57 Pa. St. 105), the position of the court seems sound. The federal government has under war legislation ample power to protect itself, and so long as it does not exercise this power, there seems no reason why a court of equity in ordinary litigation should consider whether its decree will affect governmental activities or not.

In denying relief to complainant, the court reached a result inevitable upon the principles of equity. Complainant failed to show that the defendants could render him service of an unique quality; his remedy at law was adequate. But further it appeared that his purpose in making the contracts was primarily to damage the Driver-Smith Co. Equity is

not a punitive system and relief is always denied when it will merely make trouble for a defendant without conferring any real benefit upon a complainant. Moreover a court of equity will not lend itself to the furtherance of schemes of which it disapproves. *Edwards* v. *The Allouez Mining Co.*, 38 Mich. 46; *Foll's Appeal*, 91 Pa. St. 434. Due recognition of these principles is taken by the court, but it proceeds to suggest other grounds which are scarcely tenable. It is stated that the Driver-Harris Co. had a property right in the services of the defendants (although they were only employees at will), and that an injunction will never be granted if it will destroy a property right. The use of the term "property right" is unfortunate. Whatever be the effect of *Lumley* v. *Gye*, 2 E. & B. 216, and *Quinn* v. *Leathem*, (1901), App. Cas. 495, it has never been supposed that an employer has any property right in the services of employees at will. Cf. *Beekman* v. *Marsters*, 195 Mass. 205. Again, it is intimated (p. 724), that as the injunction would not insure performance of the positive stipulations in the contract, relief should not be given. This is but to revive the outworn criticism of *Lumley* v. *Wagner*, 1 De G. M. & G. 205, and coming from so able a court as that of New Jersey cannot fail to excite surprise.

TAXATION — INCOME — DIVIDENDS RECEIVED BY HOLDING COMPANY FROM SUBSIDIARY CORPORATIONS.—Petitioner was a holding company owning all the stock in certain corporations except qualifying shares held by directors. These companies under the management of petitioner carried on a large business. "The subsidiary companies had retained their earnings, although making some loans *inter se*, and all their funds were invested in properties or actually required to carry on the business. * * *. In January, 1913, the petitioner decided to take over the previously accumulated earnings and surplus and did so in that year by votes of the companies it controlled." In a suit to recover a tax levied upon these dividends as income under the Act of Oct. 3, 1913, c. 16, Sec. II (38 Stat. 114, 166), *held*, reversing the Circuit Court of Appeals, the tax was improperly levied. *Gulf Oil Corporation* v. *Lewellyn*, Adv. Ops. U. S. Sup. Ct., Dec. 9, 1918.

The decision in this case by the Circuit Court of Appeals was noted in 16 MICH. L. REV. 202. The general subject is discussed at length in 16 MICH. L. REV. 232. In the following cases the Supreme Court has disposed of some of the most difficult problems arising out of this general situation. *Lynch* v. *Turrish*, 247 U. S. 221; *Southern Pac. Co.* v. *Lowe*, 247 U. S. 330; *Lynch* v. *Hornby*, 247 U. S. 339.

TELEGRAPH COMPANIES AS CARRIERS OF MONEY.—The Carolinas furnish two recent cases on a very common undertaking of telegraph companies, on which strangely enough there are few decisions in the books, *i. e.* on the duties and liabilities of telegraph companies as carriers of money. *Reaves* v. *Western Union Tel. Co.* (S. C. 1918), 96 S. E. 295, and *Lehue* v. *ib.* (N. C. 1918), 96 S. E. 29. Both were actions for damages for failure to transmit promptly money sent by a husband to his wife at a station where no money order office was maintained, and the payment had to be made through a bank. The latter case was one in which the mother of the wife was ill, and